



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 24, 2002

CERTIFIED RETURN RECEIPT

7099 3400 0016 8896 4134

Jim Huizingh
Morton International, Inc.
I-80 West, Exit 84
Grantsville, Utah 84029

Re: Five-Year Review of Reclamation Surety Estimate, Morton International, Inc., Morton Salt –
Grantsville Facility, M/045/037, Tooele County, Utah

Dear Mr. Huizingh:

Thank you for providing the requested information regarding the five-year review status of your Grantsville Facility, located in Tooele County, Utah. The last surety estimate for this mine was \$1,273,000 in 1998 dollars. Upon review of the information furnished by Morton Salt International, Inc., which stated that there had been no changes at the site, we find we only need to escalate the present bond for a five-year period.

The surety for the Grantsville Facility escalated to the year 2007 is \$1,819,600. A Surety Estimate Update is attached for your use. Please provide the updated surety within 60 days or no later than March 25, 2002.

You may choose to provide a rider to the existing surety. However, if you choose to post another form of surety, please contact Joelle Burns at (801) 538-5291 to obtain the current bonding forms or you may access the current forms on the internet at www.nr.utah.gov. You will also need to update the Reclamation Contract to show the new dollar amount and the new escalation year. The Reclamation Contract can also be found on the web along with the bonding forms.

If you are unable to provide the surety within this timeframe, please contact the Division with justification for requesting additional time. Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact Doug Jensen at (801) 538-5382.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Attachment: Surety estimate update

cc: Doug Jensen, DOGM
M45-37-bond-escal.doc

SURETY ESTIMATE UPDATE

Morton International, Inc

Morton Salt Grantsville Facility

M/045/037

Tooele County

Prepared by Utah Division of Oil, Gas & Mining

Last Update

1/24/02

DESCRIPTION:

Previous Reclamation surety estimate was \$1,273,000 in year 1998 dollars

Reclamation Estimate base amount calculated in 1993-\$

***** 11,000 ft of main inlet canal to be backfilled w/bank material, regraded, recontoured & seeded as per the Morton reclamation commitment dated 4/25/95 added to surety estimate. (enclosed)**

-All Structures to be removed/demolished

-Six barriers around propane tank to be removed - tanks leased

-Water wells (4 @ 800 ft deep) to be abandoned according to rules.

-Dikes highlighted on Dike Leveling Map submitted by Morton on 3/29/93 to be leveled within 1 ft of present pond levels.

All underground gas, water, & conduit piping to be excavated & removed.

Water tank excavated & removed; asphalt at mill site removed.

Areas to be ripped & revegetated shown on "Reclamation Site Map"

-Escalation factors through 2000 are actual Means Historical Cost Indices

-Total disturbed area = 163 acres

CALCULATIONS	YR	ESCAL FACTOR	BOND AMOUNT
$F = P(1 + i)^{**n}$	1990	0.0077	\$0.00
	1991	0.0127	\$0.00
	1992	0.0221	\$0.00
	1993	0.0261	\$1,186,700
	1994	0.0321	\$1,224,793
	1995	0.0193	\$1,267,202 ***
	1996	0.0242	\$1,297,868
	1997	0.0236	\$1,328,498
F = Future Sum	1998	0.0502	\$1,395,189
P = Present Sum	1999	0.0200	\$1,423,092
i = Escalation Factor	2000	0.0312	\$1,467,493
n = number of periods	2001	0.0312	\$1,513,279
	2002	0.0312	\$1,560,493
Three Yr Average = 3.12%	2003	0.0312	\$1,609,180
Used to Project 5 Yrs	2004	0.0312	\$1,659,387
From the Year 2000	2005	0.0312	\$1,711,160
	2006	0.0312	\$1,764,548
	2007	0.0312	\$1,819,602
Updated Surety Amount Rounded (2007-\$)			\$1,819,600
Average cost per acre =	\$11,163 (\$/ACRE)		

***4/25/1995 - the reclamation of 11,000 ft of main intake canal was added to the plan, this added an additional \$18,770 (1995 costs) to the cost to reclaim the site. This amount was to be included as a part of the surety costs during the 1998 bond escalation. (Documentation Enclosed)